



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

**BY U.S. MAIL & FACSIMILE**  
(202) 408-6399

APR 04 2011

Mike McNamara, Esq.  
Michael Zolandz, Esq.  
SNR Denton US LLP  
1301 K Street, NW, East Tower  
Washington, DC 20463

RE: MURs 6401 and 6432  
TransCanada Keystone Pipeline GP, LLC

Dear Messrs. McNamara and Zolandz:

On October 27, 2010, and November 17, 2010, the Federal Election Commission ("Commission") notified your client, TransCanada Keystone Pipeline GP, LLC, of complaints in MURs 6401 and 6432 alleging that it violated 2 U.S.C. § 441e in connection with donations made to two state candidate committees. Copies of the complaints were forwarded to your client on those dates. You filed a joint response on behalf of your client on December 7, 2010. We are presently reviewing the matter.

Prior to making any recommendations to the Commission, we offer you an opportunity to clarify the response. First, we invite you to clarify which entity made the donations to the state candidate committees. We note that the response is filed on behalf of TransCanada Keystone Pipeline GP, LLC, referred to throughout the response as "Keystone," and states that the donations were made from "Keystone" operating funds and the donation checks identified "Keystone" as the donor. However, the check copies submitted show that the donations in question were drawn on an account of TransCanada Keystone Pipeline, LP ("Keystone LP"), an entity registered as a Delaware limited partnership. It appears from the organizational chart that Keystone LP is owned and controlled by Keystone as a general partner and TransCanada Keystone Pipeline, LLC ("Keystone LLC"), a limited partner, and that Keystone and Keystone LLC, in turn, are wholly owned by TransCanada Oil Pipelines, Inc., which also appears to be a Delaware corporation.

Second, with respect to the response's statement on page 3 that, "... consistent with Commission guidance to TransCanada in A[dvisory] O[pinion] 2006-15, the contribution was made from U.S. dollar denominated operating funds of Keystone located in a U.S. financial institution," we invite you to clarify whether the donor in this

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matter, like the proposed donors in Advisory Opinion 2006-15, also received no subsidies from any foreign nationals, generated substantial net earnings (i.e., income that exceeded expenses after debt service) from which it funded the political donations, and maintained separate U.S. bank accounts into which it deposited receipts from, and paid expenses of, its domestic operation.

Any response your client chooses to submit should be considered strictly voluntary. Your submission, if you choose to make one, must be submitted within 10 days of receipt of this letter and addressed to the General Counsel's Office. Any supplemental response you submit will be taken into account in these recommendations. If we do not hear from you, we will proceed to make our recommendations based on the information we have available to us at this time.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you have any questions, please contact Dawn M. Odrowski, the attorney handling this matter, at (202) 694-1650 or toll free at 1-800-424-9530.

Sincerely,

Christopher Hughey  
Acting General Counsel



BY: Kathleen M. Guith  
Acting Associate General Counsel  
for Enforcement

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